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February 4, 1999

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Ms. Magalie R. Salas
Secretary
Federal Communications Commission
The Portals
445 Twelfth Street, S. W.
Washington, D.C. 20554

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FEB - 4 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

**Re: Notice of Ex Parte Communication Regarding Telephone
Number Portability, CC Docket No. 95-116**

**North American Numbering Council Report Concerning
Telephone Number Pooling and Other Optimization
Measures, NSD File No. L-98-134**

Dear Ms. Salas:

Today, on behalf of the Telecommunications Resellers Association ("TRA"), the undersigned of Hogan and Hartson L.L.P.; David Gusky, Vice President, TRA, and Steven Trotman, Director of Local Resale Services, TRA; met with Peter Tenhula, Legal Advisor to Commissioner Michael Powell, regarding the referenced proceedings. Also attending the meeting on behalf of MCI WorldCom were Anne F. LaLena, Assistant Director, Regulatory Affairs, MCI/WorldCom, and Brad Stillman, Director, Strategic Advocacy, Federal Law and Public Policy, MCI/WorldCom.

The purpose of the meeting was to discuss TRA's and MCI WorldCom's strong support for the prompt implementation of wireless number portability. TRA and MCI WorldCom made the points contained in their comments in the referenced

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HOGAN & HARTSON L.L.P.
Ms. Magalie R. Salas
February 4, 1999
Page 2

proceedings. In the meeting, TRA and MCI WorldCom emphasized the benefits of wireless number portability -- for consumers, for competition, and for number conservation efforts. In addition, TRA distributed the attached figures reflecting the low cost of implementing wireless number portability using the TRA proposed "LRN-Relay" methodology-- a nickel a month per subscriber. 1/ TRA also distributed the attached handout summarizing its position, as well as the attached Oftel press release announcing the successful implementation of number portability in the U.K. on January 1 of this year.

I have hereby submitted two copies of this notice to the Secretary, as required by the Commission's rules. Please return a date-stamped copy of the enclosed (copy provided). Please contact the undersigned if you have any questions.

Respectfully submitted,



Linda L. Oliver
Counsel for Telecommunications
Resellers Association

Enclosures

cc: Peter Tenhula

1/ TRA has proposed that the FCC consider the benefits of its alternative, lower cost plan for implementing wireless number portability, which uses the location routing number methodology (LRN) used to implement wireline number portability. This plan ("LRN-Relay") was described in detail in a TRA report filed on November 24, 1998, in CC Docket No. 95-116.

Telecommunications Resellers Association

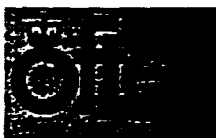
LRN Relay Wireless Number Portability Implementation Methodology Cost Estimate

<u>Year</u>	<u>Subscriber Base¹</u>	<u>Annual Minutes of Use²</u>
2000	75,460,450	108,663,048,000
2001	86,779,518	124,962,505,200
2002	99,796,445	143,706,880,980
2003	109,776,090	158,077,569,078
2004	120,753,699	173,885,325,986
2005	132,829,068	191,273,858,584
Total Minutes Over 5 Years		791,906,139,828
Total 5-Year Implementation Cost ³		\$ 359,581,715.00
Cost Per minute		\$0.00045407
Monthly Cost per Subscriber		\$ 0.054
Annual Cost per Subscriber		\$ 0.654
Five Year Cost per Subscriber		\$ 3.269

¹ Subscriber base for year 2000 is taken from FCC's *Third Annual CMRS Report* (1998), Table 5D at B-8. This figure is then multiplied by 85% to represent subscribers in the top 100 MSAs. Forecast for years 2001-2002 represents an assumption of 15% annual growth rate, and for years 2003-2005 a 10% annual growth rate.

² Annual minutes of use is based on assumption of 1440 minutes of use annually per subscriber (120 minutes average airtime use per month).

³ Five-year total implementation cost of \$359,581,715.00 includes \$52,176,343.00 annual recurring costs for 5 years plus \$98,700,000.00 total capital costs, as outlined in TRA's November 24, 1998 Report, *Wireless Number Portability: The Case for LRN Relay*, pages 24-25, filed in FCC CC Docket No. 95-116 on November 24, 1998.



Office of Telecommunications

83/98 30 December 1998

MOBILE PHONE SHOPPERS CAN KEEP THEIR OLD NUMBER AFTER SWITCHING NETWORKS

From January mobile phone users will be able to keep their existing phone number when moving to another mobile operator. The UK is the first country in the world to give customers this ability.

All four mobile phone networks have complied with OFTEL's plan to allow customers to take their number with them if they change operators. In the past, having to get a new number has put off customers from shopping around for the best deal.

David Edmonds, the Director General of Telecommunications said:

"This will encourage much more intense competition in the mobile market as the four companies fight to win and retain customers. In the end, the winner will be the customer."

The operators will be allowed to charge customers to cover the costs of transferring the number but we do not expect it to be more than a one-off charge of #25. The four mobile operators can be contacted for more details.

Notes to editors

All four operators - Orange, Vodafone, Cellnet and One2One - agreed to licence amendments in 1997 requiring them to provide number portability from January 1999.

ENDS

= pounds sterling

The Need for Prompt Implementation of Wireless Number Portability

**Telecommunications Resellers Association
February, 1999**

**Telephone Number Portability
CC Docket No. 95-116**

**Cellular Telecommunications Industry Association
Petition for Forbearance, filed December 16, 1997
CC Docket No. 95-116**

**North American Numbering Council Report Concerning
Telephone Number Pooling and Other Optimization Measures
NSD File No. L-98-134**

The Importance of Prompt Implementation of Wireless Number Portability

Wireless Number Portability is essential

- To protect consumers: to provide them convenience, lower prices, better service, and wider use of wireless services
- To promote competition in the wireless industry
- To promote competition between wireless and wireline services
- To help achieve the Commission's number conservation goals

The Commission can and should adhere to the March 31, 2000 deadline for implementation of wireless number portability.

The Role of Mandated Number Portability in Other Markets

Wireless number portability is just as important to consumers and to competition as other forms of number portability that have been mandated by the FCC:

- 800 number portability

800 number portability led to a more vigorously competitive 800 services market and to eventual deregulation of the dominant 800 carrier (AT&T).

- Wireline local number portability

Wireline local number portability is widely understood to be an essential component in the development of local exchange competition.

- Consumers in the United Kingdom already enjoy the benefits of wireless number portability. Why should U.S. consumers not enjoy those same benefits?

The Benefits of Wireless Number Portability

The expense of implementing number portability is more than justified by its many benefits.

Benefits for Consumers

- Wireless number portability would greatly enhance the usefulness and convenience of wireless services.
 - Consumers more likely to give out their wireless phone numbers and put those numbers on business cards.
 - Sales and other business people would be able to conduct more business on an inbound basis.
 - Portability would increase the volume of calling to wireless phones.
- Consumers would be more willing and able to switch to a better or cheaper service provider because they would not have to give up their phone number to do so.

- Number portability would encourage increased competition among carriers in pricing, service design, service packages, etc., giving consumers more choices.
- Increased competition would lead to reductions in per minute rates. These reductions alone would likely offset the cost of implementing number portability many times over.
- Consumers would be more likely to substitute their wireless phones for their wireline phones if they are able to give out the numbers in confidence that the numbers would not change.

Benefits for Competition

- As was the case for 800 number portability and wireline local number portability, the ability of consumers to switch carriers without changing their numbers will boost the competitiveness of the market.
- The incumbent advantage inherent in possession of the customer's phone number, or a block of numbers, would disappear.
- Carriers would be forced to compete on price, service quality, and coverage area.
- Resellers, who can resell the services of many underlying carriers, would be able to transparently and frequently switch their customers to the best underlying service plan and pricing.
- Wireless could more easily compete head-to-head with wireline local exchange service.
- The full benefits of increased competition would flow directly to consumers.

Benefits for Number Conservation

- The pressure on numbering resources is intense.
- The wireless industry represents a fast growing user of numbering resources.
- Wireless number portability will increase the amount of numbers available for pooling.
- With wireless portability, fewer wireless numbers will need to be “aged” and kept out of service.
- The wireless industry should not be exempt from contributing to efforts to solve the number conservation problem.

The LRN-Relay Approach Would Achieve Wireless Number Portability at Lower Cost

The TRA proposal to employ a location routing number (LRN) based approach (LRN-Relay) for WNP is based on the methodology used to implement wireline local number portability.

The November 24, 1998 TRA Report on LRN-Relay demonstrates that:

- LRN-Relay satisfies all of the FCC criteria for a number portability method.
- LRN-Relay is technically feasible.
- LRN-Relay can easily meet the FCC's current deadline for implementation.
- LRN-Relay does not require a simultaneous flash-cut implementation by all carriers.

- LRN-Relay, because it can lead to faster wireless number portability, can relieve pressure on limited numbering resources and speed number pooling efforts.
- LRN-Relay only requires carriers providing service in markets where number portability must be made available to modify their networks.
- LRN-Relay implementation costs are lower because the methodology builds on the existing infrastructure and on the method used for wireline portability.
- LRN-Relay concentrates the benefits of wireless portability in those geographic areas with the most customers.

The Wireless Industry Has Not Met Its Burden of Showing that Mandatory Number Portability is Unwarranted

- The Commission has already concluded that mandatory wireless number portability for the top 100 MSAs is in the public interest.
- The burden should be on the wireless industry to show why the benefits of wireless number portability no longer justify the expense of implementing portability.
- The burden should also be on the wireless industry to show that the TRA proposal for number portability is not a viable method for achieving number portability -- at lower cost and within the Commission's currently prescribed deadline.
- The Commission should promptly put the November 24, 1998 TRA LRN-Relay Report out for public comment to obtain the record it needs to decide this issue.

Conclusion

- The investment in technology to enable wireless number portability will more than repay itself in terms of lower prices and increased customer choice.
- Consumers should not be denied the convenience of wireless number portability.
- Wireless number portability will contribute to the achievement of the Commission's goals of conserving scarce numbering resources and promoting local exchange competition.
- The Commission can and should adhere to the March 31, 2000 deadline for implementation of wireless number portability.